

WISCONSIN STATE
LEGISLATURE
COMMITTEE HEARING
RECORDS

2005-06

(session year)

Senate

(Assembly, Senate or Joint)

Committee on
Education
(SC-Ed)

File Naming Example:

Record of Comm. Proceedings ... RCP

- 05hr_AC-Ed_RCP_pt01a
- 05hr_AC-Ed_RCP_pt01b
- 05hr_AC-Ed_RCP_pt02

Published Documents

➤ Committee Hearings ... CH (Public Hearing Announcements)

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Record of Comm. Proceedings ... RCP

➤ **

*Information Collected For Or
Against Proposal*

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

**

➤ Hearing Records ... HR (bills and resolutions)

➤ **05hr_ab0167_SC-Ed_pt01**

➤ Miscellaneous ... Misc

➤ **



Wisconsin State Legislature

MEMORANDUM

TO: Senator David Hansen, Member, Senate Committee on Education
FR: Senator Luther Olsen, Chair, Senate Committee on Education
DT: September 16, 2005 (hand delivered 1:45 pm)
RE: Paper Ballot for Appointments, SB 310, AB 167, SB 177, SB 206, SB 286, SB 322, SB 323, SB 324

Please consider the following items and vote on the motion below. Return this ballot to Senator Luther Olsen, Room 5 South, no later than 12:00 pm Monday September 19th. Committee members' ballots not received by the deadline will be marked as not voting.

The appointment of Eileen Lettig, of Green Bay as a member of the Educational Communications Board

Moved by Senator Olsen that Eileen Lettig be recommended for CONFIRMATION:

Aye X No

The appointment of Diane Everson, of Edgerton as a member of the Educational Communications Board

Moved by Senator Olsen that Diane Everson be recommended for CONFIRMATION:

Aye X No

Wisconsin State Senate

Assembly Bill 167:

Relating to: the investment by school districts of funds held in trust to provide post-employment benefits.

By Representatives Towns, Hundertmark, Mursau, Nischke, Hines, Townsend, Gielow, Strachota, Musser, Hahn, Gunderson, Molepske, Jeskewitz, Albers, Lehman, Petrowski, Kestell, Krawczyk, Ott, Freese and M. Williams; cosponsored by Senators Olsen, Grothman, Harsdorf and Lazich

- Moved by Senator Olsen that Assembly Bill 167 be recommended for PASSAGE:

Aye

☒

No

Senate Bill 206

Relating to: transportation for pupils participating in the open enrollment program.

By Senators Brown, Reynolds, Roessler, A. Lasee, Olsen and Grothman; cosponsored by Representatives Gronemus, Musser, Gard, Hines, Jensen, Ballweg, Pridemore, Ott, M. Williams, Albers and Stone.

- Moved by Senator Olsen that Senate Bill 206 be recommended for PASSAGE:

Aye

☒

No

Senate Bill 286

Relating to: school district human growth and development programs.

By Senators Lazich, Grothman, Roessler, Leibham and Reynolds; cosponsored by Representatives Gundrum, Bies, Hines, Albers, Vos and Pridemore.

- Moved by Senator Olsen that SENATE SUBSTITUTE AMENDMENT LRB S0210 be recommended for INTRODUCTION:

Aye

☒

No

Wisconsin State Senate

- Moved by Senator Olsen that SENATE SUBSTITUTE AMENDMENT LRB S0210 be recommended for ADOPTION:

Aye X No

- Moved by Senator Olsen that Senate Bill 286 be recommended for PASSAGE AS AMENDED:

Aye X No

Senate Bill 322

Relating to: mailing of copies of school district reorganization orders issued by School District Boundary Appeal Board

By Senators Olsen, Brown, and Darling; cosponsored by Representatives Towns, M. Williams, Hahn, Ott, Musser, Gunderson, Hines.

- Moved by Senator Olsen that Senate Bill 322 be recommended for PASSAGE:

Aye X No

Senate Bill 323

Relating to: State aid paid to consolidated school districts.

By Senators Olsen and Darling; cosponsored by Representatives Towns, Townsend, Hahn, Lehman, Ott, Hines, Gunderson, Ainsworth and Lothian.

- Moved by Senator Olsen that Senate Bill 323 be recommended for PASSAGE:

Aye X No

Wisconsin State Senate

Senate Bill 324

Relating to: allowing school boards to charge a fee for transporting certain pupils to school.

By Senators Olsen, Brown and Grothman; cosponsored by Representatives Towns, M. Williams, Hines, Mursau, Lothian, Ott, Musser, Lehman, Molepske and Sheridan.

- Moved by Senator Olsen that Senate Bill 324 be recommended for PASSAGE:

Aye

X

No

Signature

Dave Hansen
Senator David Hansen



Wisconsin State Legislature

MEMORANDUM

TO: Senator Robert Jauch, Member, Senate Committee on Education
FR: Senator Luther Olsen, Chair, Senate Committee on Education
DT: September 16, 2005 (hand delivered 1:40 pm)
RE: Paper Ballot for Appointments, SB 310, AB 167, SB 177, SB 206, SB 286, SB 322, SB 323, SB 324

Please consider the following items and vote on the motion below. Return this ballot to Senator Luther Olsen, Room 5 South, no later than 12:00 pm Monday September 19th. Committee members' ballots not received by the deadline will be marked as not voting.

The appointment of Eileen Lettig, of Green Bay as a member of the Educational Communications Board

Moved by Senator Olsen that Eileen Lettig be recommended for CONFIRMATION:

Aye X No _____

The appointment of Diane Everson, of Edgerton as a member of the Educational Communications Board

Moved by Senator Olsen that Diane Everson be recommended for CONFIRMATION:

Aye X No _____

STATE CAPITOL

P.O. Box 7882 • Madison, Wisconsin 53707-7882

Wisconsin State Senate

Assembly Bill 167:

Relating to: the investment by school districts of funds held in trust to provide post-employment benefits.

By Representatives Towns, Hundertmark, Mursau, Nischke, Hines, Townsend, Gielow, Strachota, Musser, Hahn, Gunderson, Molepske, Jeskewitz, Albers, Lehman, Petrowski, Kestell, Krawczyk, Ott, Freese and M. Williams; cosponsored by Senators Olsen, Grothman, Harsdorf and Lazich

- Moved by Senator Olsen that Assembly Bill 167 be recommended for PASSAGE:

Aye X No _____

Senate Bill 206

Relating to: transportation for pupils participating in the open enrollment program.

By Senators Brown, Reynolds, Roessler, A. Lasee, Olsen and Grothman; cosponsored by Representatives Gronemus, Musser, Gard, Hines, Jensen, Ballweg, Pridemore, Ott, M. Williams, Albers and Stone.

- Moved by Senator Olsen that Senate Bill 206 be recommended for PASSAGE:

Aye S No _____

Senate Bill 286

Relating to: school district human growth and development programs.

By Senators Lazich, Grothman, Roessler, Leibham and Reynolds; cosponsored by Representatives Gundrum, Bies, Hines, Albers, Vos and Pridemore.

- Moved by Senator Olsen that SENATE SUBSTITUTE AMENDMENT LRB S0210 be recommended for INTRODUCTION:

Aye X No _____

*Sub
attached*

Wisconsin State Senate

- Moved by Senator Olsen that SENATE SUBSTITUTE AMENDMENT LRB S0210 be recommended for ADOPTION:

Aye X No

- Moved by Senator Olsen that Senate Bill 286 be recommended for PASSAGE AS AMENDED:

Aye X No

Senate Bill 322

Relating to: mailing of copies of school district reorganization orders issued by School District Boundary Appeal Board

By Senators Olsen, Brown, and Darling; cosponsored by Representatives Towns, M. Williams, Hahn, Ott, Musser, Gunderson, Hines.

- Moved by Senator Olsen that Senate Bill 322 be recommended for PASSAGE:

Aye X No

Senate Bill 323

Relating to: State aid paid to consolidated school districts.

By Senators Olsen and Darling; cosponsored by Representatives Towns, Townsend, Hahn, Lehman, Ott, Hines, Gunderson, Ainsworth and Lothian.

- Moved by Senator Olsen that Senate Bill 323 be recommended for PASSAGE:

Aye X No

Wisconsin State Senate

Senate Bill 324


Relating to: allowing school boards to charge a fee for transporting certain pupils to school.

By Senators Olsen, Brown and Grothman; cosponsored by Representatives Towns, M. Williams, Hines, Mursau, Lothian, Ott, Musser, Lehman, Molepske and Sheridan.

- Moved by Senator Olsen that Senate Bill 324 be recommended for PASSAGE:

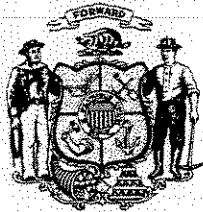
Aye 4 No

Signature


Senator Robert Jauch

STATE CAPITOL

P.O. Box 7882 • Madison, Wisconsin 53707-7882



Wisconsin State Legislature

MEMORANDUM

TO: Senator Jon Erpenbach, Member, Senate Committee on Education

FR: Senator Luther Olsen, Chair, Senate Committee on Education

DT: September 16, 2005 (hand delivered 1:45 pm)

RE: Paper Ballot for Appointments, SB 310, AB 167, SB 177, SB 206, SB 286, SB 322, SB 323, SB 324

Please consider the following items and vote on the motion below. Return this ballot to Senator Luther Olsen, Room 5 South, no later than 12:00 pm Monday September 19th. Committee members' ballots not received by the deadline will be marked as not voting.

The appointment of Eileen Lettig, of Green Bay as a member of the Educational Communications Board

Moved by Senator Olsen that Eileen Lettig be recommended for CONFIRMATION:

Aye X No

The appointment of Diane Everson, of Edgerton as a member of the Educational Communications Board

Moved by Senator Olsen that Diane Everson be recommended for CONFIRMATION:

Aye X No

STATE CAPITOL

P.O. Box 7882 • Madison, Wisconsin 53707-7882

Wisconsin State Senate

Assembly Bill 167:

Relating to: the investment by school districts of funds held in trust to provide post-employment benefits.

By Representatives Towns, Hundertmark, Mursau, Nischke, Hines, Townsend, Gielow, Strachota, Musser, Hahn, Gunderson, Molepske, Jeskewitz, Albers, Lehman, Petrowski, Kestell, Krawczyk, Ott, Freese and M. Williams; cosponsored by Senators Olsen, Grothman, Harsdorf and Lazich

- Moved by Senator Olsen that Assembly Bill 167 be recommended for PASSAGE:

Aye X No

Senate Bill 206

Relating to: transportation for pupils participating in the open enrollment program.

By Senators Brown, Reynolds, Roessler, A. Lasee, Olsen and Grothman; cosponsored by Representatives Gronemus, Musser, Gard, Hines, Jensen, Ballweg, Pridemore, Ott, M. Williams, Albers and Stone.

- Moved by Senator Olsen that Senate Bill 206 be recommended for PASSAGE:

Aye X No

Senate Bill 286

Relating to: school district human growth and development programs.

By Senators Lazich, Grothman, Roessler, Leibham and Reynolds; cosponsored by Representatives Gundrum, Bies, Hines, Albers, Vos and Pridemore.

- Moved by Senator Olsen that SENATE SUBSTITUTE AMENDMENT LRB S0210 be recommended for INTRODUCTION:

Aye X No

Wisconsin State Senate

- Moved by Senator Olsen that SENATE SUBSTITUTE AMENDMENT LRB S0210 be recommended for ADOPTION:

Aye X No

- Moved by Senator Olsen that Senate Bill 286 be recommended for PASSAGE AS AMENDED:

Aye X No

Senate Bill 322

Relating to: mailing of copies of school district reorganization orders issued by School District Boundary Appeal Board

By Senators Olsen, Brown, and Darling; cosponsored by Representatives Towns, M. Williams, Hahn, Ott, Musser, Gunderson, Hines.

- Moved by Senator Olsen that Senate Bill 322 be recommended for PASSAGE:

Aye X No

Senate Bill 323

Relating to: State aid paid to consolidated school districts.

By Senators Olsen and Darling; cosponsored by Representatives Towns, Townsend, Hahn, Lehman, Ott, Hines, Gunderson, Ainsworth and Lothian.

- Moved by Senator Olsen that Senate Bill 323 be recommended for PASSAGE:

Aye X No

Wisconsin State Senate

Senate Bill 324

Relating to: allowing school boards to charge a fee for transporting certain pupils to school.

By Senators Olsen, Brown and Grothman; cosponsored by Representatives Towns, M. Williams, Hines, Mursau, Lothian, Ott, Musser, Lehman, Molepske and Sheridan.

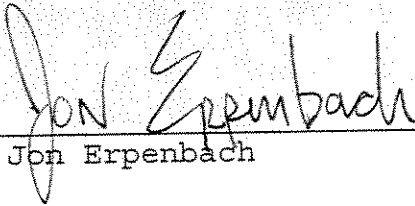
- Moved by Senator Olsen that Senate Bill 324 be recommended for PASSAGE:

Aye

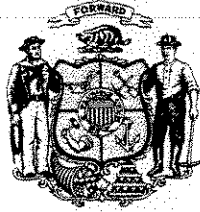
X

No

Signature



Senator Jon Erpenbach



Wisconsin State Legislature

MEMORANDUM

TO: Senator Sheila Harsdorf, Member, Senate Committee on Education

FR: Senator Luther Olsen, Chair, Senate Committee on Education

DT: September 16, 2005 (hand delivered 1:45 pm)

RE: Paper Ballot for Appointments, SB 310, AB 167, SB 177, SB 206, SB 286, SB 322, SB 323, SB 324

Please consider the following items and vote on the motion below. Return this ballot to Senator Luther Olsen, Room 5 South, no later than 12:00 pm Monday September 19th. Committee members' ballots not received by the deadline will be marked as not voting.

The appointment of Eileen Lettig, of Green Bay as a member of the Educational Communications Board

Moved by Senator Olsen that Eileen Lettig be recommended for CONFIRMATION:

Aye X No

The appointment of Diane Everson, of Edgerton as a member of the Educational Communications Board

Moved by Senator Olsen that Diane Everson be recommended for CONFIRMATION:

Aye X No

STATE CAPITOL

P.O. Box 7882 • Madison, Wisconsin 53707-7882

Wisconsin State Senate

Assembly Bill 167:

Relating to: the investment by school districts of funds held in trust to provide post-employment benefits.

By Representatives Towns, Hundertmark, Mursau, Nischke, Hines, Townsend, Gielow, Strachota, Musser, Hahn, Gunderson, Molepske, Jeskewitz, Albers, Lehman, Petrowski, Kestell, Krawczyk, Ott, Freese and M. Williams; cosponsored by Senators Olsen, Grothman, Harsdorf and Lazich

- Moved by Senator Olsen that Assembly Bill 167 be recommended for PASSAGE:

Aye X No

Senate Bill 206

Relating to: transportation for pupils participating in the open enrollment program.

By Senators Brown, Reynolds, Roessler, A. Lasee, Olsen and Grothman; cosponsored by Representatives Gronemus, Musser, Gard, Hines, Jensen, Ballweg, Pridemore, Ott, M. Williams, Albers and Stone.

- Moved by Senator Olsen that Senate Bill 206 be recommended for PASSAGE:

Aye X No

Senate Bill 286

Relating to: school district human growth and development programs.

By Senators Lazich, Grothman, Roessler, Leibham and Reynolds; cosponsored by Representatives Gundrum, Bies, Hines, Albers, Vos and Pridemore.

- Moved by Senator Olsen that SENATE SUBSTITUTE AMENDMENT LRB S0210 be recommended for INTRODUCTION:

Aye X No

STATE CAPITOL

P.O. Box 7882 • Madison, Wisconsin 53707-7882

Wisconsin State Senate

- Moved by Senator Olsen that SENATE SUBSTITUTE AMENDMENT LRB S0210 be recommended for ADOPTION:

Aye X No

- Moved by Senator Olsen that Senate Bill 286 be recommended for PASSAGE AS AMENDED:

Aye X No

Senate Bill 322

Relating to: mailing of copies of school district reorganization orders issued by School District Boundary Appeal Board

By Senators Olsen, Brown, and Darling; cosponsored by Representatives Towns, M. Williams, Hahn, Ott, Musser, Gunderson, Hines.

- Moved by Senator Olsen that Senate Bill 322 be recommended for PASSAGE:

Aye X No

Senate Bill 323

Relating to: State aid paid to consolidated school districts.

By Senators Olsen and Darling; cosponsored by Representatives Towns, Townsend, Hahn, Lehman, Ott, Hines, Gunderson, Ainsworth and Lothian.

- Moved by Senator Olsen that Senate Bill 323 be recommended for PASSAGE:

Aye X No

Wisconsin State Senate

Senate Bill 324

Relating to: allowing school boards to charge a fee for transporting certain pupils to school.

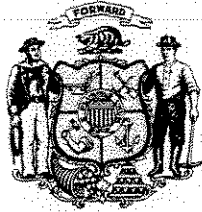
By Senators Olsen, Brown and Grothman; cosponsored by Representatives Towns, M. Williams, Hines, Mursau, Lothian, Ott, Musser, Lehman, Molepske and Sheridan.

- Moved by Senator Olsen that Senate Bill 324 be recommended for PASSAGE:

Aye X No

Signature

Sheila Harsdorf
Senator Sheila Harsdorf



Wisconsin State Legislature

MEMORANDUM

TO: Senator Glenn Grothman, Member, Senate Committee on Education

FR: Senator Luther Olsen, Chair, Senate Committee on Education

DT: September 16, 2005 (hand delivered 1:45 pm)

RE: Paper Ballot for Appointments, SB 310, AB 167, SB 177, SB 206, SB 286, SB 322, SB 323, SB 324

Please consider the following items and vote on the motion below. Return this ballot to Senator Luther Olsen, Room 5 South, no later than 12:00 pm Monday September 19th. Committee members' ballots not received by the deadline will be marked as not voting.

The appointment of Eileen Lettig, of Green Bay as a member of the Educational Communications Board

Moved by Senator Olsen that Eileen Lettig be recommended for CONFIRMATION:

Aye ☒ No ☐

The appointment of Diane Everson, of Edgerton as a member of the Educational Communications Board

Moved by Senator Olsen that Diane Everson be recommended for CONFIRMATION:

Aye ☒ No ☐

STATE CAPITOL

P.O. Box 7882 • Madison, Wisconsin 53707-7882

Wisconsin State Senate

Assembly Bill 167:

Relating to: the investment by school districts of funds held in trust to provide post-employment benefits.

By Representatives Towns, Hundertmark, Mursau, Nischke, Hines, Townsend, Gielow, Strachota, Musser, Hahn, Gunderson, Molepske, Jeskewitz, Albers, Lehman, Petrowski, Kestell, Krawczyk, Ott, Freese and M. Williams; cosponsored by Senators Olsen, Grothman, Harsdorf and Lazich

- Moved by Senator Olsen that Assembly Bill 167 be recommended for PASSAGE:

Aye ✓ No

Senate Bill 206

Relating to: transportation for pupils participating in the open enrollment program.

By Senators Brown, Reynolds, Roessler, A. Lasee, Olsen and Grothman; cosponsored by Representatives Gronemus, Musser, Gard, Hines, Jensen, Ballweg, Pridemore, Ott, M. Williams, Albers and Stone.

- Moved by Senator Olsen that Senate Bill 206 be recommended for PASSAGE:

Aye ✓ No

Senate Bill 286

Relating to: school district human growth and development programs.

By Senators Lazich, Grothman, Roessler, Leibham and Reynolds; cosponsored by Representatives Gundrum, Bies, Hines, Albers, Vos and Pridemore.

- Moved by Senator Olsen that SENATE SUBSTITUTE AMENDMENT LRB S0210 be recommended for INTRODUCTION:

Aye ✓ No

*Sub
attached*

STATE CAPITOL

P.O. Box 7882 • Madison, Wisconsin 53707-7882

Wisconsin State Senate

- Moved by Senator Olsen that SENATE SUBSTITUTE AMENDMENT LRB S0210 be recommended for ADOPTION:

Aye ✓ No

- Moved by Senator Olsen that Senate Bill 286 be recommended for PASSAGE AS AMENDED:

Aye ✓ No

Senate Bill 322

Relating to: mailing of copies of school district reorganization orders issued by School District Boundary Appeal Board

By Senators Olsen, Brown, and Darling; cosponsored by Representatives Towns, M. Williams, Hahn, Ott, Musser, Gunderson, Hines.

- Moved by Senator Olsen that Senate Bill 322 be recommended for PASSAGE:

Aye No

Senate Bill 323

Relating to: State aid paid to consolidated school districts.

By Senators Olsen and Darling; cosponsored by Representatives Towns, Townsend, Hahn, Lehman, Ott, Hines, Gunderson, Ainsworth and Lothian.

- Moved by Senator Olsen that Senate Bill 323 be recommended for PASSAGE:

Aye ✓ No

Wisconsin State Senate

Senate Bill 324

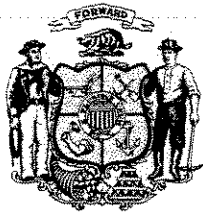
Relating to: allowing school boards to charge a fee for transporting certain pupils to school.

By Senators Olsen, Brown and Grothman; cosponsored by Representatives Towns, M. Williams, Hines, Mursau, Lothian, Ott, Musser, Lehman, Molepske and Sheridan.

- Moved by Senator Olsen that Senate Bill 324 be recommended for PASSAGE:

Aye 1/1 No

Signature _____
Senator Glenn Grothman



Wisconsin State Legislature

MEMORANDUM

TO: Senator Alberta Darling, Member, Senate Committee on Education

FR: Senator Luther Olsen, Chair, Senate Committee on Education

DT: September 16, 2005 (hand delivered 1:45 pm)

RE: Paper Ballot for Appointments, SB 310, AB 167, SB 177, SB 206, SB 286, SB 322, SB 323, SB 324

Please consider the following items and vote on the motion below. Return this ballot to Senator Luther Olsen, Room 5 South, no later than 12:00 pm Monday September 19th. Committee members' ballots not received by the deadline will be marked as not voting.

The appointment of Eileen Lettig, of Green Bay as a member of the Educational Communications Board

Moved by Senator Olsen that Eileen Lettig be recommended for CONFIRMATION:

Aye X No

The appointment of Diane Everson, of Edgerton as a member of the Educational Communications Board

Moved by Senator Olsen that Diane Everson be recommended for CONFIRMATION:

Aye X No

Wisconsin State Senate

Assembly Bill 167:

Relating to: the investment by school districts of funds held in trust to provide post-employment benefits.

By Representatives Towns, Hundertmark, Mursau, Nischke, Hines, Townsend, Gielow, Strachota, Musser, Hahn, Gunderson, Molepske, Jeskewitz, Albers, Lehman, Petrowski, Kestell, Krawczyk, Ott, Freese and M. Williams; cosponsored by Senators Olsen, Grothman, Harsdorf and Lazich

- Moved by Senator Olsen that Assembly Bill 167 be recommended for PASSAGE:

Aye X No

Senate Bill 206

Relating to: transportation for pupils participating in the open enrollment program.

By Senators Brown, Reynolds, Roessler, A. Lasee, Olsen and Grothman; cosponsored by Representatives Gronemus, Musser, Gard, Hines, Jensen, Ballweg, Pridemore, Ott, M. Williams, Albers and Stone.

- Moved by Senator Olsen that Senate Bill 206 be recommended for PASSAGE:

Aye X No

Senate Bill 286

Relating to: school district human growth and development programs.

By Senators Lazich, Grothman, Roessler, Leibham and Reynolds; cosponsored by Representatives Gundrum, Bies, Hines, Albers, Vos and Pridemore.

- Moved by Senator Olsen that SENATE SUBSTITUTE AMENDMENT LRB S0210 be recommended for INTRODUCTION:

Aye X No

*Sub
attached*

STATE CAPITOL

P.O. Box 7882 • Madison, Wisconsin 53707-7882

Wisconsin State Senate

- Moved by Senator Olsen that SENATE SUBSTITUTE AMENDMENT LRB S0210 be recommended for ADOPTION:

Aye X No

- Moved by Senator Olsen that Senate Bill 286 be recommended for PASSAGE AS AMENDED:

Aye X No

Senate Bill 322

Relating to: mailing of copies of school district reorganization orders issued by School District Boundary Appeal Board

By Senators Olsen, Brown, and Darling; cosponsored by Representatives Towns, M. Williams, Hahn, Ott, Musser, Gunderson, Hines.

- Moved by Senator Olsen that Senate Bill 322 be recommended for PASSAGE:

Aye X No

Senate Bill 323

Relating to: State aid paid to consolidated school districts.

By Senators Olsen and Darling; cosponsored by Representatives Towns, Townsend, Hahn, Lehman, Ott, Hines, Gunderson, Ainsworth and Lothian.

- Moved by Senator Olsen that Senate Bill 323 be recommended for PASSAGE:

Aye X No

Wisconsin State Senate

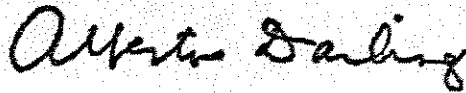
Senate Bill 324

Relating to: allowing school boards to charge a fee for transporting certain pupils to school.

By Senators Olsen, Brown and Grothman; cosponsored by Representatives Towns, M. Williams, Hines, Mursau, Lothian, Ott, Musser, Lehman, Molepske and Sheridan.

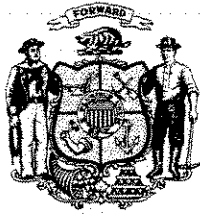
- Moved by Senator Olsen that Senate Bill 324 be recommended for PASSAGE:

Aye X No



Signature

Senator Alberta Darling



Wisconsin State Legislature

MEMORANDUM

TO: Senator Luther Olsen, Member, Senate Committee on Education
FR: Senator Luther Olsen, Chair, Senate Committee on Education
DT: September 16, 2005 (hand delivered 1:45 pm)
RE: Paper Ballot for Appointments, AB 167, SB 206, SB 286, SB 322, SB 323, SB 324

Please consider the following items and vote on the motion below. Return this ballot to Senator Luther Olsen, Room 5 South, no later than 12:00 pm Monday September 19th. Committee members' ballots not received by the deadline will be marked as not voting.

The appointment of Eileen Lettig, of Green Bay as a member of the Educational Communications Board

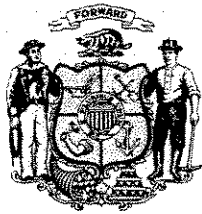
Moved by Senator Olsen that Eileen Lettig be recommended for
CONFIRMATION:

Aye ☒ No ☐

The appointment of Diane Everson, of Edgerton as a member of the Educational Communications Board

Moved by Senator Olsen that Diane Everson be recommended for
CONFIRMATION:

Aye ☒ No ☐



Wisconsin State Legislature

MEMORANDUM

TO: Senator Luther Olsen, Member, Senate Committee on Education
FR: Senator Luther Olsen, Chair, Senate Committee on Education
DT: September 16, 2005 (hand delivered 1:45 pm)
RE: Paper Ballot for Appointments, SB 310, AB 167, SB 177, SB 206, SB 286, SB 322, SB 323, SB 324

Please consider the following items and vote on the motion below. Return this ballot to Senator Luther Olsen, Room 5 South, no later than 12:00 pm Monday September 19th. Committee members' ballots not received by the deadline will be marked as not voting.

The appointment of Eileen Lettig, of Green Bay as a member of the Educational Communications Board

Moved by Senator Olsen that Eileen Lettig be recommended for CONFIRMATION:

Aye _____ No _____

The appointment of Diane Everson, of Edgerton as a member of the Educational Communications Board

Moved by Senator Olsen that Diane Everson be recommended for CONFIRMATION:

Aye _____ No _____

Wisconsin State Senate

Assembly Bill 167:

Relating to: the investment by school districts of funds held in trust to provide post-employment benefits.

By Representatives Towns, Hundertmark, Mursau, Nischke, Hines, Townsend, Gielow, Strachota, Musser, Hahn, Gunderson, Molepske, Jeskewitz, Albers, Lehman, Petrowski, Kestell, Krawczyk, Ott, Freese and M. Williams; cosponsored by Senators Olsen, Grothman, Harsdorf and Lazich

- Moved by Senator Olsen that Assembly Bill 167 be recommended for PASSAGE:

Aye ☒ No ☐

Senate Bill 206

Relating to: transportation for pupils participating in the open enrollment program.

By Senators Brown, Reynolds, Roessler, A. Lasee, Olsen and Grothman; cosponsored by Representatives Gronemus, Musser, Gard, Hines, Jensen, Ballweg, Pridemore, Ott, M. Williams, Albers and Stone.

- Moved by Senator Olsen that Senate Bill 206 be recommended for PASSAGE:

Aye ☒ No ☐

Senate Bill 286

Relating to: school district human growth and development programs.

By Senators Lazich, Grothman, Roessler, Leibham and Reynolds; cosponsored by Representatives Gundrum, Bies, Hines, Albers, Vos and Pridemore.

- Moved by Senator Olsen that SENATE SUBSTITUTE AMENDMENT LRB S0210 be recommended for INTRODUCTION:

Aye ☒ No ☐

Wisconsin State Senate

- Moved by Senator Olsen that SENATE SUBSTITUTE AMENDMENT LRB S0210 be recommended for ADOPTION:

Aye ✓ No

- Moved by Senator Olsen that Senate Bill 286 be recommended for PASSAGE AS AMENDED:

Aye ✓ No

Senate Bill 322

Relating to: mailing of copies of school district reorganization orders issued by School District Boundary Appeal Board

By Senators Olsen, Brown, and Darling; cosponsored by Representatives Towns, M. Williams, Hahn, Ott, Musser, Gunderson, Hines.

- Moved by Senator Olsen that Senate Bill 322 be recommended for PASSAGE:

Aye ✓ No

Senate Bill 323

Relating to: State aid paid to consolidated school districts.

By Senators Olsen and Darling; cosponsored by Representatives Towns, Townsend, Hahn, Lehman, Ott, Hines, Gunderson, Ainsworth and Lothian.

- Moved by Senator Olsen that Senate Bill 323 be recommended for PASSAGE:

Aye ✓ No

Wisconsin State Senate

Senate Bill 324

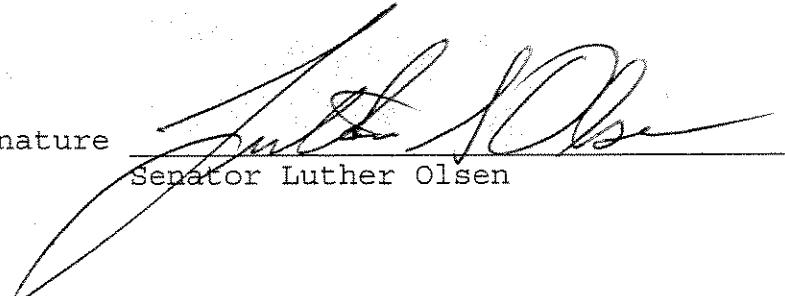
Relating to: allowing school boards to charge a fee for transporting certain pupils to school.

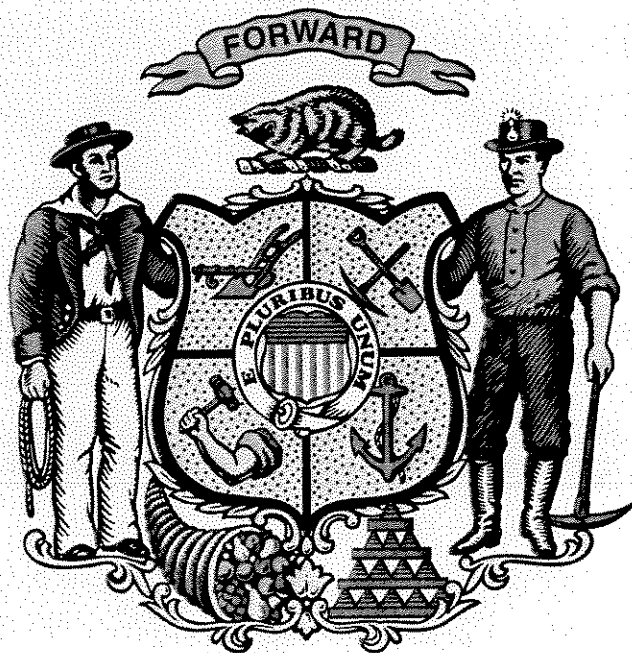
By Senators Olsen, Brown and Grothman; cosponsored by Representatives Towns, M. Williams, Hines, Mursau, Lothian, Ott, Musser, Lehman, Molepske and Sheridan.

- Moved by Senator Olsen that Senate Bill 324 be recommended for ~~PASSAGE~~:

Aye ✓ No

Signature


Senator Luther Olsen



December 19, 2001

CAROLYN STANFORD TAYLOR
ASSISTANT SUPERINTENDENT
WISCONSIN DEPT OF PUBLIC INSTRUCTION
PO BOX 7841
MADISON WI 53707-7841

RE: IDEA Entitlement Funds

Dear Dr. Taylor:

On 09/21/01, the School District of Cambridge received an e-mail from Jack Marker, DPI Special Education Consultant, indicating that two items in the district's 2001-02 budget for the IDEA entitlement funds would not be approved. The purpose of this letter is to appeal that decision.

Specifically, the items disapproved are

- Preventative Counseling services. In the spring of 2001, a couple of our youngest EBD students appeared to be in need of intensive, preventative counseling services, including the possible need for family counseling services in order for those students to benefit from their special education programs. Therefore, the potential cost for these services was placed in the budget. Based on case law and due process hearings in which schools were ordered to pay for such services, we decided to establish a budget item in the event that an IEP team (or a hearing officer) ordered such services. To date, those services have not been needed. While we have guidance counselors, a school social worker, and school psychologists, their training and responsibilities are limited to school counseling, school social work, and school psychology services. They are not employed by the district to provide family counseling, nor are they trained to provide the intensive individual counseling that child and family therapists provide. Contracting with outside therapists for child and family counseling would fill a need not provided by public school districts, if that need should arise. These potential services would not supplant the counseling services provided by the school's guidance counselors, school social workers or school psychologists, and they would be provided only as specified by an IEP team as a related service.

- Music Therapy is a service that the School District of Cambridge has been providing to one or more students since 1998. It has been in our IDEA Entitlement Budget every year since then. It is a related service needed by some special education students, and is a service that cannot be provided by anyone else employed by the school district. Classroom music teachers provide their music curriculum, but they cannot provide music therapy. To determine when music therapy services are needed, a qualified music therapist conducts an evaluation. If the services are needed in order for the child with a disability to benefit from his or her special education program, then those services are defined in the student's IEP just as any other related service is defined in the IEP. To date, the need for this related service has been justified in order to address severe anxiety, frustrations, focusing difficulties, and other severe behaviors of students with profound cognitive disabilities and students with severe emotional/behavioral disabilities. Parents of these children and teaching staff working with these students have seen substantial differences in how some students benefit from this related service. (One student was found not to benefit from it, and the service was discontinued through the IEP).

In response to our request for a citation supporting the Department's decision to disapprove these two budget items, Mr. Marker sent a copy of Chapter 115.88(1m)(a). It states that the Department may approve a district's expenditure for "the salary portion of any authorized contract for physical or occupational therapy services," and the statute goes on to read "and other expenses approved by the state superintendent as costs eligible for reimbursement from the appropriation under s. 20.255(2)(b)."

While this statute authorizes approval of contract services for OT and PT, it does not prohibit contracting for other services. Following is a list of other contracted arrangements that have been approved by DPI as authorized contract expenditures with IDEA entitlement funds:

- Music Therapy services (budgeted under 155000) for 1998-99, 1999-2000, 2000-2001, School District of Cambridge
- School Psychology Services for the School District of Cambridge for 2001-2002 to cover a 3-month maternity leave when two separate postings for the position failed to provide a qualified candidate; approved by the DPI School Psychology Consultant.
- SMILES recreational therapy services, approved by the DPI for several years prior to 1996 and annually since then.
- SMILES recreational therapy services, approved by the DPI for other school districts, CESAs, and other state agencies, including the Wisconsin School for the Visually Handicapped.
- Opportunities, Inc. career/vocational/transition support services approved for the School District of Cambridge, several other school districts in CESAs 1 and 2. This budget item is in our current IDEA Entitlement budget and has not been disapproved by DPI. It has been in our entitlement budget for the last three years.
- At least one district in the state is using entitlement funds to contract with Community Adolescent Programs for assistance with students with severe emotional and behavioral disabilities who are suspended, who need to complete community service, who need assistance in learning the skills to succeed in their IEP goals, and to provide

one-to-one counseling or support to individual students or their families (these words taken directly from the Information Bulletin provided to school districts by the Community Adolescent Programs). These services are not limited to court-ordered services

As you can see, consistency in approval/disapproval for contracted services does not exist. If some of these expenses are approvable, then it would seem that all of them are approvable. They are related services that individual students may need in order to benefit from their special education programs. Should a parent seek a due process hearing over the failure of a district to provide one of these services, a district may be ordered to provide it. Yet, if the only way to access these services is by contracting for them, DPI's disapproval of that contracting would prevent a district from providing a required service.

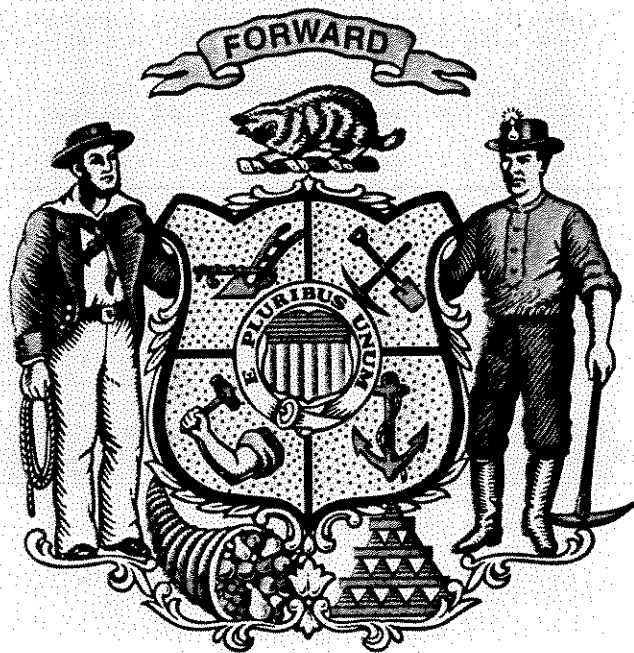
In addition, it is my understanding that other states permit contracting with providers of services such as these, and that their approvals extend to district use of federal entitlement funds to pay for these contracted services.

In light of this information, we are requesting that you re-consider the disapproval of our 2001-2002 IDEA Entitlement budget, and permit our children with disabilities to continue to receive the services they need as identified by their IEP teams.

Sincerely,

Donita G. O'Donnell
Director of Special Education
School District of Cambridge

Copies: Jack Marker, DPI Consultant
Ron Dayton, District Administrator, School District of Cambridge





Firststar Plaza
One South Pinckney Street
Post Office Box 2113
Madison, Wisconsin 53701-2113
Tel 608.251.5000
Fax 608.251.9166
www.quarles.com

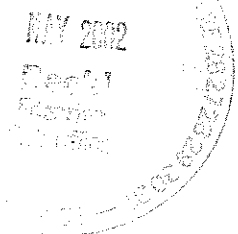
Attorneys at Law in:
Phoenix and Tucson, Arizona
Naples and Boca Raton, Florida
Chicago, Illinois (Quarles & Brady LLC)
Milwaukee and Madison, Wisconsin

Writer's Direct Dial: 608.283.2639
E-Mail: tns@quarles.com

May 17, 2002

VIA HAND DELIVERY

Dr. Stephanie J. Petska
Director of Special Education
Wisconsin Department of Public Instruction
P.O. Box 7841
Madison, Wisconsin 53707-7841



RE: IDEA Flow-Through Funding for Outside Related Service Contracts

Dear Dr. Petska:

We have been retained by the Edgerton School District ("District") to assist them in reviewing the Wisconsin Department of Public Instruction's ("DPI") allocation of Individuals with Disabilities Education Act ("IDEA") Part B flow-through grants. In particular, the concern relates to DPI's position that only the related services of occupational therapy, physical therapy and nursing services may be funded with IDEA flow-through funding when outside vendors are used by the local educational agency ("LEA"). It is our understanding that DPI has denied requests to use federal flow-through funding for other vendor services, such as private speech and language and private counseling.

Based upon DPI documentation, it is our understanding that DPI bases its position solely upon state law. To be specific, it appears that DPI relies upon the provisions of § 115.88(1) and 115.1m(a), Wis. Stats. Section 115.88(1), Wis. Stats., states:

"The board may contract with private or public agencies for physical or occupational therapy services on the basis of demonstrated need."

Section 115.88(1m)(a), Wis. Stats., goes on to set forth that funding may be provided to a school district:

"... for a sum equal to the amount expended by the county, agency and school district during the preceding year for salaries of personnel enumerated in sub. (1), including the salary portion of any authorized contract for physical or occupational therapy services, and other expenses approved by the state

Dr. Stephanie Petska
May 17, 2002
Page 2

superintendent as costs eligible for reimbursement from the appropriation under s. 20.255 (2) (b).” (emphasis added).

In recent correspondence to the Cambridge School District, DPI indicated that it is “longstanding department interpretation that only the related services of occupational therapy, physical therapy and nursing services may be funded with IDEA flow-through funding.” (Emphasis added). Since § 115.88, Wis. Stats., specifically refers to physical therapy and occupational therapy, it is clear that school districts may use flow-through funding for those services provided by outside vendors. However, what seems unclear is why DPI views the above statutory provisions as limiting the use of flow-through funds to only outside vendors performing occupational therapy, physical therapy and nursing service.

First, § 115.88(1m)(a), Wis. Stats., specifically establishes that “other expenses” may be approved by the State Superintendent. This language provides the State Superintendent broad discretion in determining what “other expenses” may be approved. Since the services in question are provided in order to ensure that a child with a disability receives a free and appropriate public education, utilization of flow-through funds is appropriate under § 20.255(2)(b), Wis. Stats. Further, § 115.88(1), Wis. Stats., does not say that a school district may contract with outside vendors for occupational and physical therapy only. The DPI interpretation of the statutory language in § 115.88, Wis. Stats., seems unduly restrictive.

Second, the statutory language in § 118.255(4), Wis. Stats., specifically allows the State Superintendent to approve funding for certain health treatment services.

“If the state superintendent is satisfied that the health treatment services program has been maintained during the preceding school year in accordance with law, the state superintendent shall certify to the department of administration in favor of each school board, cooperative educational service agency and county children with disabilities education board maintaining such health treatment services, an amount equal to the amount expended for items listed in s. 115.88 (1m) by the school board, cooperative educational service agency and county children with disabilities education board during the preceding year for these health treatment services as costs eligible for reimbursement from the appropriation under s. 20.255 (2) (b).” (emphasis added).

As defined, health treatment services under § 118.255(4) includes treatment for speech and language disability along with other disabilities, regardless of whether those services are provided by school district employees or private vendors. § 118.255(1), Wis. Stats. Hence, absent the restrictive DPI interpretation of § 115.88(1m), Wis. Stats., private vendor services for speech and language and other health treatment services could be paid for with flow-through funding.

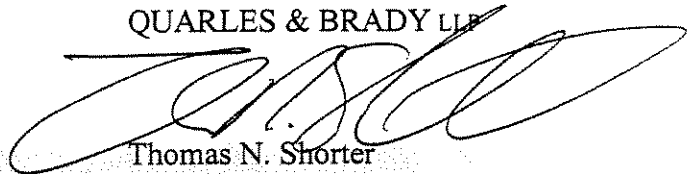
Dr. Stephanie Petska
May 17, 2002
Page 3

On behalf of the District, we are requesting that DPI reevaluate the interpretation of §§ 115.88(1) and 115.88(1m), Wis. Stats., and allow the District to use flow-through funding for outside vendors of services necessary to provide FAPE. Specifically, the District is requesting that the use of flow-through funding be allowed for private speech and language therapist, preventative family counseling and private tutoring. In the event DPI will not reverse the prior determination on these items for the District, we would request that DPI address in more detail the rationale for the current position, including: (1) confirmation that this is a state law issue only; (2) why DPI views the language of § 115.88, Wis. Stats., as only allowing flow-through funding for outside occupational therapy and physical therapy vendors; and (3) how DPI interprets the language in § PI 11.24(1), Wis. Admin. Code regarding this issue.

I look forward to your response in this matter. In the event you require additional information from the District regarding this matter, please do not hesitate to contact me.

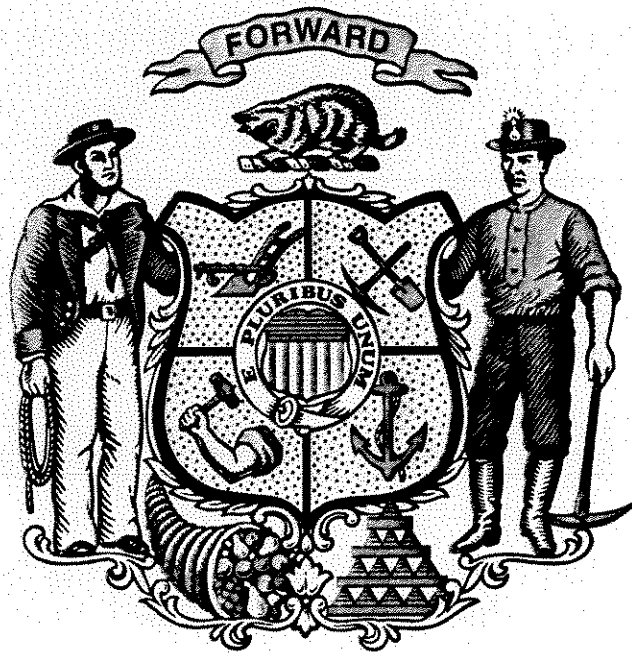
Very truly yours,

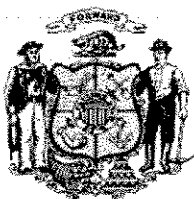
QUARLES & BRADY LLP



Thomas N. Shorter

cc: Ms. Marie Dorie
Ms. Margaret McMurray





DEBI TOWNS

STATE REPRESENTATIVE

Contact:

Debi Towns
(888) 534-0043

APRIL 19, 2005

FOR IMMEDIATE RELEASE

EDUCATION COMMITTEE BANKS ON REP. TOWNS' SCHOOL INVESTMENT OPTION BILL

MADISON – School districts would be given a new investment tool to help pay for promised employment benefits in future years under a bill authored by State Rep. Debi Towns.

The State Assembly's Education Committee approved the legislation known as Assembly Bill 167 by an 11-0 margin.

The bill was one of three from Towns that the panel approved on April 19.

"The common thread running through each of these bills is that they offer greater financial flexibility to our school districts," said Rep. Towns, R-Janesville, a former school board member from Edgerton.

Over the past decades, Wisconsin's school districts have negotiated post-employment benefits, atop the Wisconsin Retirement System, that have created millions of dollars in liability.

"Some districts do not even have a solid estimate of what their liability is," Towns said. "Even more districts have no plan to finance these liabilities, but just pay as they go out of each year's operational budget."

The state Department of Public Instruction has developed a trust fund mechanism that can be used as a qualified pension plan. Milwaukee Public Schools are given greater latitude for investing funds held in trust than all other schools in the state. This legislation expands that latitude to Wisconsin's other 425 school districts.

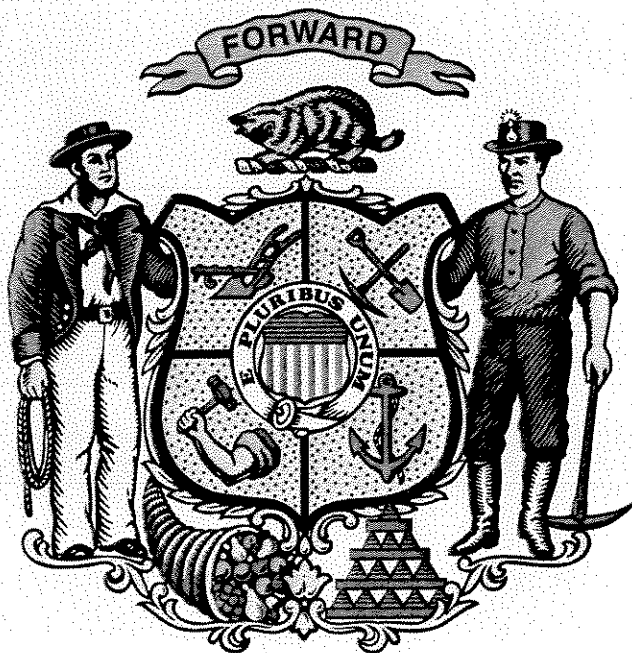
Officials from the Whitewater and Janesville school districts endorsed the legislation at its public hearing in March. The Wisconsin Association of School Boards and School Administrators Alliance were also in support.

State Sen. Luther Olsen, R-Ripon, has authored a Senate companion bill, SB 113. That bill awaits a hearing by the Senate Education Committee, which Sen. Olsen chairs.

- 30 -

STATE CAPITOL

P.O. Box 8953 • MADISON, WISCONSIN 53708-8953
(608) 266- 9650 • (888) 534-0043 • FAX (608) 282-3643





WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2005 Assembly Bill 167

Assembly Amendment 1

Memo published: April 22, 2005

Contact: Russ Whitesel, Senior Staff Attorney (266-0922)

Assembly Bill 167 relates to the investment by school districts of funds held in trust to provide post-employment benefits. Current law restricts the manner in which a school district may invest its funds.

Assembly Bill 167 expands the investment authority and delegation of investment authority for all school districts with respect to funds that are held in trust, other than funds held in the Public Employee Trust Fund (ETF), solely to provide any of the following benefits: (1) post-employment health care benefits provided either separately or through a defined benefit pension plan; and (2) other post-employment benefits provided separately from a defined benefit pension plan.

Under the legislation, all school districts would have the same investment authority and delegation of investment authority that the Milwaukee Public Schools (MPS) has under current law with respect to funds held in trust for MPS's non-ETF qualified pension plans. Thus, with respect to such post-employment benefit trust funds, any school district is authorized to: (1) invest and reinvest the funds authorized under the Uniform Prudent Investor Act; and (2) delegate its investment authority over such funds to an investment manager who: (a) meets the requirements and qualifications specified in the trusts investment policy; and (b) is registered as an investment advisor under the Federal Investment Advisor's Act.

Assembly Amendment 1

Assembly Amendment 1 sets forth certain procedural requirements that school boards must follow in establishing post-employment trust funds.

1. The amendment provides that a school board may not ***discuss or vote*** on establishing a trust fund to provide post-employment benefits unless the ***notice*** of the school board meeting at which the discussion or vote may occur includes the issue as a separate agenda item.

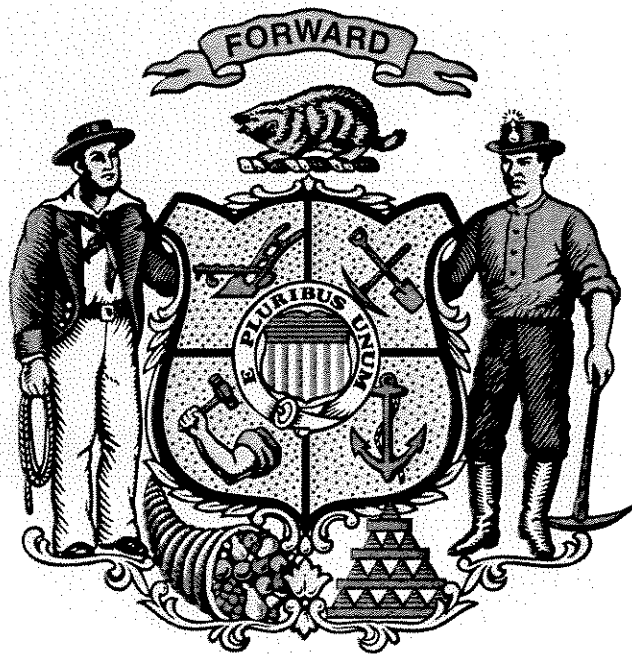
2. The amendment also requires that the report prepared for the annual meeting of common school boards must include certain information relating to the post-employment benefit investments. Specifically, the report must state: (a) the amount in the trust; (b) the investment return earned by the

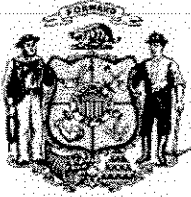
trust since the last annual meeting; (c) the total of total disbursements made from the trust since the last annual meeting; and (d) the name of the investment manager, if investment authority has been delegated to such a manager.

Legislative History

Assembly Bill 167 was introduced by Representative Towns and others, cosponsored by Senator Olsen and others and referred to the Committee on Education on March 3, 2005. A public hearing was held on the bill on March 22, 2005. At an executive session on April 19, 2005, the Assembly Education Committee voted to introduce Assembly Amendment 1 on a vote of Ayes, 11; Noes, 0. The committee voted to adopt Assembly Amendment 1 on a vote of Ayes, 10; Noes, 1. The committee then voted to recommend passage of the bill, as amended, on a vote of Ayes, 11; Noes, 0.

RW:jal





DEBI TOWNS

STATE REPRESENTATIVE

Contact:

Debi Towns
(888) 534-0043

May 10, 2005

FOR IMMEDIATE RELEASE

ASSEMBLY BANKS ON REP. TOWNS' SCHOOL INVESTMENT BILL

MADISON – The Wisconsin State Assembly has approved a bill authored by State Rep. Debi Towns that will give a new tool for local school districts to prepare to pay future retirement benefits.

Assembly Bill 167 was approved by a voice vote on Tuesday, May 10.

"This legislation is a step towards insuring fiscal integrity of our school districts," said Towns, R-Janesville, who serves as chair of the Assembly Education Committee.

That committee approved AB 167 by an 11-0 margin last month. Officials from the Whitewater and Janesville school districts endorsed the legislation at its public hearing in March. The Wisconsin Association of School Boards and School Administrators Alliance are also in support.

"Over the past decades, Wisconsin's school districts have negotiated post-employment benefits in addition to the Wisconsin Retirement System, that have created millions of dollars in liability," said Towns, a former school board member in Edgerton and school business manager in Brodhead.

"Districts are now being required to estimate this liability in their annual audit report. Some districts have not even had a solid estimate of what their liability is," Towns said. "Even more districts have no plan to finance their liabilities, but just pay as they go out of each year's operational budget."

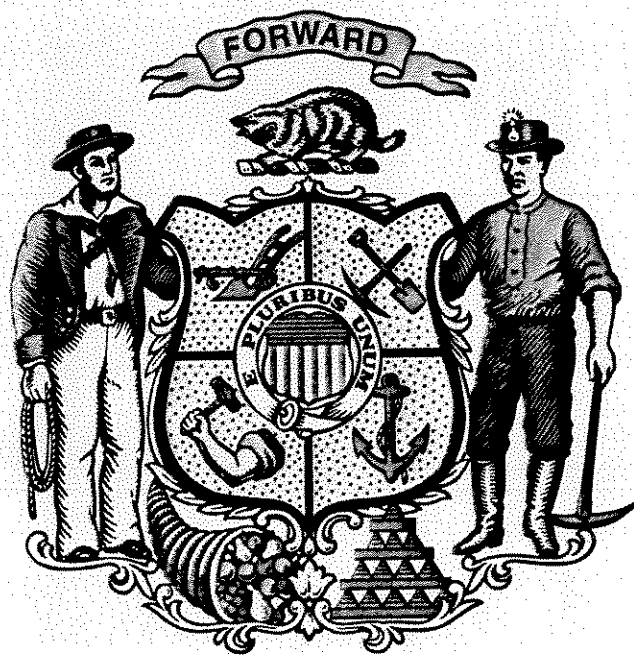
The state Department of Public Instruction has developed a trust fund mechanism that can be used as a qualified pension plan. Milwaukee Public Schools are given greater latitude for investing funds held in trust than all other schools in the state. This legislation expands that latitude to Wisconsin's other 425 school districts.

The bill now heads to the State Senate's Education Committee. The committee's chairman, Sen. Luther Olsen, R-Ripon, has already authored a Senate companion bill to Towns' legislation. Towns hopes the bill sees action by the Senate committee this summer.

- 30 -

STATE CAPITOL

P.O. Box 8953 • MADISON, WISCONSIN 53708-8953
(608) 266- 9650 • (888) 534-0043 • FAX (608) 282-3643



Assembly Republican Majority Bill Summary

Contact: Casey Langan, Office of Rep. Debi Towns

AB 167: School Investment Options

Relating to: the investment by school districts of funds held in trust to provide post-employment benefits. By Representatives Towns, Hundertmark, Mursau, Nischke, Hines, Townsend, Gielow, Strachota, Musser, Hahn, Gunderson, Molepske, Jeskewitz, Albers, Lehman, Petrowski, Kestell, Krawczyk, Ott and Freese; cosponsored by Senators Olsen, Grothman, Harsdorf and Lazich.

Date: May 10, 2005

BACKGROUND

Over the past decades, individual school districts have negotiated post-employment benefits in addition to the Wisconsin Retirement System that have created millions of dollars in liability. These benefits may include severance pay, sick day payout, and years of health or dental premiums. These benefits were agreed to at a time when health insurance costs were lower than they are now. School districts are now in a financial bind as the surging number of baby boomers reaching retirement age has coupled with increased health insurance costs.

Even though post-retirement benefits are the fastest growing line item in local school budgets, many school districts do not have a solid estimate as to what their liability is, nor do they have a plan to finance these liabilities. Instead, they find themselves paying these liabilities out of each year's operational budget.

The Department of Public Instruction has developed a trust fund mechanism that can be used as a qualified pension plan. Milwaukee Public Schools are given greater latitude for investing funds held in trust for qualified pension plans. AB 167 would give Wisconsin's other 425 school districts the same latitude. The purpose of AB 167 is to encourage school districts to begin planning for this liability.

SUMMARY OF AB 167 (AS AMENDED BY COMMITTEE)

Assembly Bill 167 authorizes a school district to invest and reinvest funds that are held in trust, other than funds held in the public employee trust fund, solely to provide post-employment benefits in the manner provided under the Uniform Prudent Investor Act, which took effect in Wisconsin on April 30, 2004. Current law restricts the manner in which a school district may invest its funds. The requirement of the bill to follow the prudent investor rules and certain required disclosures is strengthened by regulations of the Department of Public Instruction and financial disclosure requirements of the Governmental Accounting Standards Board. This accounting standard assures that information about investments and any related risks are reported in the annual financial statements.

AMENDMENTS

Assembly Amendment 1 to Assembly Bill 167 [adopted 10-1-1 (Rep. Ziegelbauer voted no, Rep. A. Williams was absent)] relates to public notification should a school district opt to utilize this investment tool. The amendment states that a school board may not discuss or vote on establishing a trust fund to provide the benefits described in

the bill, unless the notice of the school board meeting at which the discussion or vote may occur includes the issue as a separate agenda item. It also states that if a school board has established a trust described in AB 167, the report shall also state the amount in the trust, the investment return earned by the trust since the last annual meeting, the total of disbursements made from the trust since the last annual meeting, and the name of the investment manager if investment authority has been delegated.

FISCAL EFFECT

A fiscal estimate was not required for Assembly Bill 167.

PROS

1. Improved investment earnings can, over the long-term, reduce reliance on taxes to meet obligations related to promises of post-employment benefits.
2. AB 167 would give the same fiscal latitude that is already granted to the Milwaukee Public Schools system, to Wisconsin's other 425 school districts.
3. AB 167 provides flexibility for local school boards to take advantage of higher yield investments, while protecting assets held in trust for future employment benefits, by requiring a district to comply with the federal Prudent Investor Act.

CONS

1. Higher return in investments sometimes offers higher risk to the investor.

SUPPORTERS

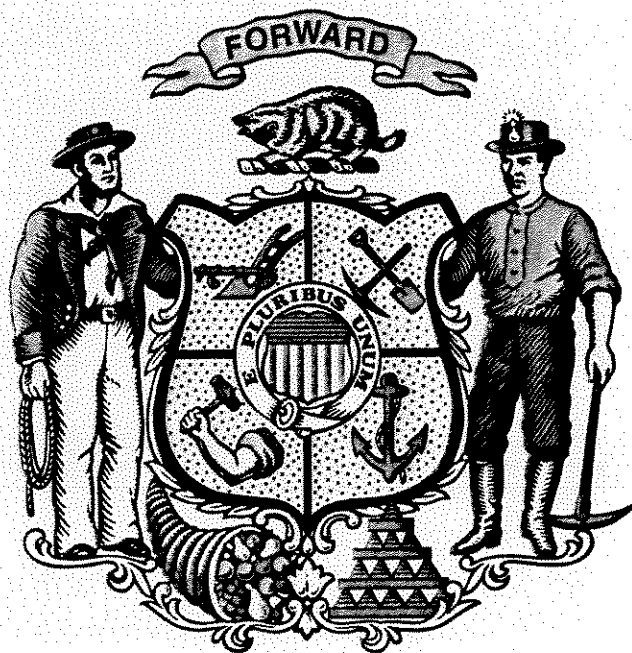
Rep. Debi Towns, author; Sen. Luther Olsen, lead co-sponsor; Brian Pahnke, Department of Public Instruction; Roger Dickson, Kettle Moraine School District; John Eyster, School District of Janesville; John Forester, Madison, School Administrators Alliance; Sheri Krause, Madison, Wisconsin Association of School Boards; Bruce Nelson, Urbandale, Precision Retirement Group Inc.; Leslie Steinhaus, Whitewater Unified School District.

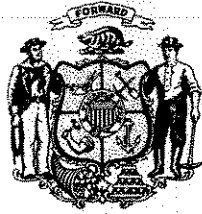
OPPOSITION

NOTE: No one registered or testified in opposition to Assembly Bill 167.

HISTORY

Assembly Bill 167 was introduced on March 3, 2005, and referred to the Assembly Committee on Education. A public hearing was held on March 22, 2005. On April 19, 2005, the Committee voted 11-0 [Representative A. Williams was absent] to recommend passage of AB 167 as amended.





Wisconsin State Legislature

September 13, 2005

Senate Committee on Education Testimony for AB 167 from State Senator Luther Olsen

Good morning committee members and visitors. Thank you for your time.

Currently school districts are restricted in the manner that they may invest their funds. These restrictions are of course intended to protect these funds, however, the restrictions are so strict as to negatively impact the ability of schools to invest those funds in such a way as to maximize returns on investment.

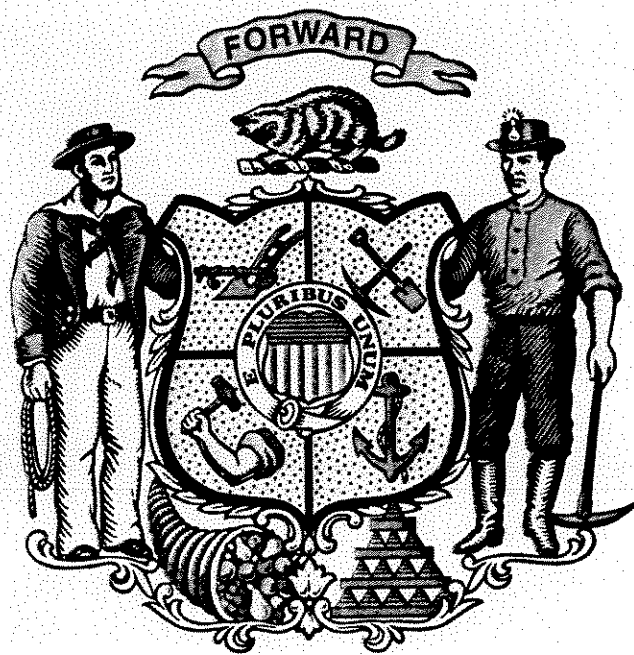
It has become clear that we need to make some adjustments to the law to give schools more flexibility so that they can improve earnings, and reduce reliance on taxes for funding these benefits.

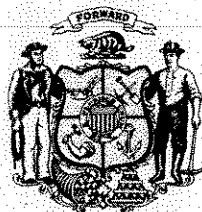
Wisconsin's largest school district, MPS already has the flexibility this legislation would provide to the rest of the districts in the state. As a matter of equity, all districts in the state should also be permitted to participate in higher yield investments to finance their growing burden of post-employment benefits.

As schools struggle to cope with rising costs in every area, this legislation will help districts to more effectively plan for, and meet, their spending obligations.

STATE CAPITOL

P.O. Box 7882 • Madison, Wisconsin 53707-7882





Wisconsin State Legislature

September 13, 2005

Senate Committee on Education

Testimony for SB 177 from State Senator Luther Olsen

This is another bill I've authored that relates to provision of special education services in schools.

Currently, schools can contract with a public or private agency for physical therapy or occupational therapy services. State special education aids can be used to cover those costs.

This bill would authorize districts to contract for additional services including:

- Orientation and mobility services
- Interpreters
- Audiologists
- Pupil transition

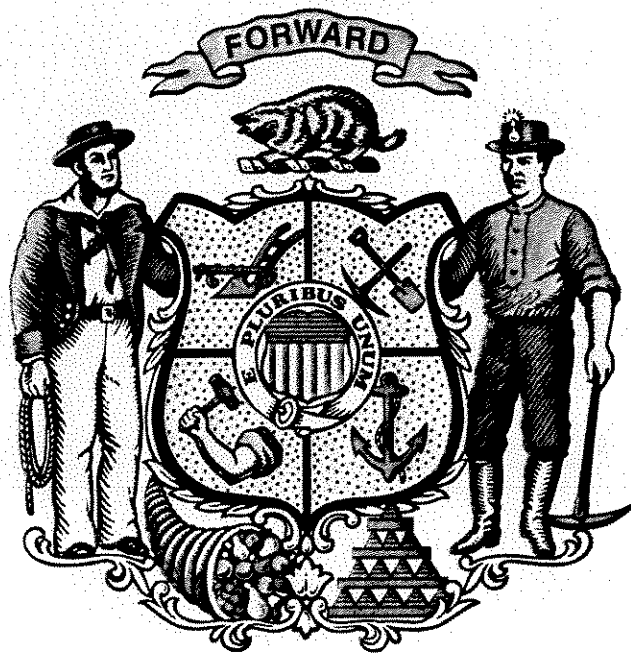
State special education funds could be used to cover the cost of contracting for these services.

The bill further allows for speech therapy services to be contracted out, and, if districts are unable to employ a speech therapist, those costs could be covered by state special education aid funds.

The bill basically allows school districts to provide services in their special education programs in the best way available to them, and have these costs covered by special education aids. It's an unfair burden on these schools to have to pay out of their own pockets for these services, which they are required to provide.

STATE CAPITOL

P.O. Box 7882 • Madison, Wisconsin 53707-7882



2005 ASSEMBLY BILL 167
Testimony – September 16, 2005

Roger J Dickson, Assistant Superintendent
School District of Kettle Moraine

- Member: Wisconsin Association of School Business Officials
Co-chare Accounting Committee
- Member: Association of School Business Officials, International
Vice-chair of Accounting, Auditing and Budgeting Committee
- Member: Governmental Accounting Standards Board
Task Force on Deposit and Investment Risk Disclosures
- Reviewer: Governmental Accounting Standards Board
Implementation Guide for Statement #45, Accounting and
Financial Reporting by Employers for Postemployment
Benefits Other Than Pensions
- Recipient: Association of School Business Officials, International
Recognition for Excellence in Financial Reporting for ten
straight years

Assembly Bill 167 will provide opportunities for school districts and other local governments to improve investment earnings on funds specifically set aside for the purpose of creating an employee benefit trust. This bill will make it easier for local governments to meet its contractual and moral long-term obligations by providing greater opportunity to invest in higher yield instruments. Improved investment earnings can, over the long-term, reduce reliance on taxes to meet obligations related to promises of postemployment benefits. On behalf of the School District of Kettle Moraine and many of my colleagues in school business management I express support for the bill and encourage its passage.

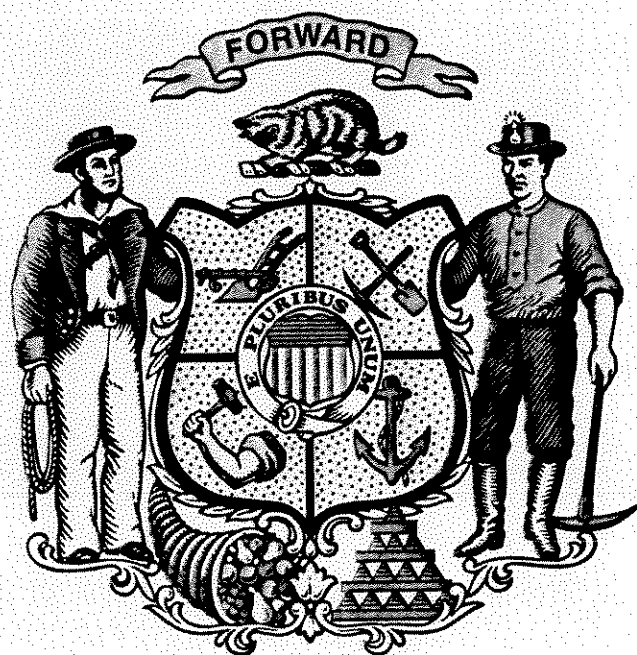
This bill has received extensive review by school business managers. The bill and its amendment strike a good balance between providing flexibility to local governments to take advantage of higher yield investments and protecting assets held in trust for future employee benefits.

Payments of accumulated and unused sick leave to employees upon retirement are considered compensated absences and are accounted for in accordance with Statement 16, Accounting for Compensated Absences. The Governmental Accounting Standards Board issued Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions in June, 2004. This standard addresses the recognition, measurement, and reporting requirements of the promise to provide other postemployment benefits (OPEB) to future retirees. OPEB includes a number of employer paid postemployment benefits (other than pension or compensated absence benefits), the most common of which is retiree welfare benefits (health, dental, life and long-term care insurance). OPEB often are the most costly of the various postemployment benefits offered to public sector employees.

GASB has determined that OPEB's are conceptually similar to pension benefits and as such should be reported in a similar manner on financial statements. Accurate reporting of OPEB will help to assure accountability to taxpayers, creditors, bond analysts, rating agencies, investors and other users of financial statements. In addition, decision makers will have better information for planning, particularly with regard to long-term budgeting, cash flow management, and collective bargaining.

OPEB differs from pensions in that they frequently lack the legal definition and protections characteristic of pension plans. Further, OPEB usually lack any formal mechanism for funding; rather, necessary amounts are only provided as immediately needed, a "pay-as-you-go" method. Essentially, OPEB are liabilities which are currently not disclosed on financial statements and consequently not fully understood. GASB and others, concerned that the failure to recognize the true financial impact of the promise of future benefits may result in a significant commitment of resources creating difficulties for government officials in meeting its future current operational obligations, promulgated financial disclosure rules that all governments must follow.

Offering OPEB to school district employees is not uncommon. Many public entities have negotiated postemployment benefits with their bargaining



Rep. Towns testimony on Assembly Bill 167

AB 167 is intended to update the current law to address a financial issue in public schools.

The General Accounting Standards Board has recently defined a more detailed reporting requirement for public schools. Part of that new reporting requirement is to clearly state the liability in the annual report that is incurred by post-employment benefits other than those secured by the Wisconsin Retirement System (WRS). These other post-employment benefits may include such things as severance pay, early retirement bonuses, sick day payouts, & health and dental premiums for retirees.

As school audits are beginning to reveal a more accurate picture of what liabilities schools actually have in these benefits, school boards are having serious discussions as to how they are going to cover the cost of these negotiated promises. While some districts have set aside funds to help cover these liabilities, many districts have made no provision to cover these future costs. Rather, they are using operational dollars from each year's budget to cover the benefit costs of their retirees.

Our educator population, which is reflective of the population at large, is aging. We are experiencing a larger and larger group of retired educators. In many districts this budget item is becoming more and more significant. I believe that many districts will be (or should be) compelled to financially prepare to meet the retirement promises that they have negotiated.

Recently the Department of Public Instruction modernized their recommended financial reporting system – this is the accounting system that schools must use when reporting to the state. Based on recommendations from the Government Accounting Standards Board, they included a separate fund – Fund 73 – to serve as a semi-revocable trust fund for post-employment benefits other than the contribution the WRS. The intention of this fund is a trust –that is the dollars deposited into this fund can only be used for the stated

purpose – post employment benefit costs. The funds cannot be withdrawn and used for anything else. Investment for a return on these funds is allowed.

Under current law, a school district is restricted as to how they may invest funds. In 425 school districts, current statute limits the investment of the money of any school fund to very specific time deposits, specific bonds or securities, and the Local Government Pool Fund (LGPF). All of these investment tools have minimal return, if at all, on the principal investment – as such, there is not much motivation on the part of school boards to invest as preparation for future liabilities.

Milwaukee Public Schools, however, in addition to the investment authority that I just described, may invest and re-invest *funds that are held in trust for qualified pension plans* (other than those funds held by the WRS), -- in the manner provided under the Uniform Prudent Investor Act, which took effect in Wisconsin on April 30, 2004.

The Uniform Prudent Investor Act provides that a fiduciary must invest and manage assets as a prudent investor would. Under this act funds not immediately needed and held in trust for the district's qualified pension plan may be invested by a manager who (a) meets the requirements and qualifications specified in the trust's investment policy and (b) is registered as an investment advisor under the federal Investment Advisor's Act of 1940 [s. 66.0603 (3), Stats.].

This bill would grant that same expanded authority to all school districts in Wisconsin. It authorizes a school district to invest and re-invest funds that are held in trust, other than funds held in public employee trust fund, solely to provide post-employment benefits in the same manner that is currently allowed at MPS – that is, accessing a broader range of investment tools that net better return of the money.

I believe that encouraging school districts to recognize the financial impact of the retirement liabilities that they have negotiated is a good thing. These liabilities are real promises that are backed by contract law – schools are having to “make good” on them. I also believe that it is prudent of a district to consider an investment plan to cover the

costs of such negotiated benefits – rather than just assuming that there will be enough budget money off in the future to pay for an unknown expense.

* Furthermore, I think the argument from school administrators that there currently is no motivation to take money out of the annual budget only to invest it in a mechanism that guarantees little to no return in the future is a very valid argument. It is important to note that this is a passive bill – it does not require any school district to take any action.

not a mandate

And, certainly, not all school districts will wish to use the Fund 73 trust. And even fewer districts boards will be compelled to use a fiduciary to help them prepare for the future. This bill will have no impact on those districts – I suspect many of them will continue just as they do now – making future promises that will have a financial impact on the district, but living from budget to budget.

This bill will help those districts that want to find a way to begin preparing for this liability that has become more public. And, it will encourage those districts that have already been trying to invest in Fund 73 in anticipation that it will put them in a stronger financial position in future budgets. It is the prudent thing to be doing – and I believe that the State should be encouraging this type of financial responsibility.

FOCUS

23 Aug. 2005 • No. 18

In brief

In 2004-05, 353 Wisconsin school districts budgeted \$110.3 million to pay benefits to former employees, now retired. Examples are: extended health insurance; cash stipends; and teacher emeritus plans. In dollar terms, 27 districts planned to spend \$1 million or more on post-retirement benefits, with Appleton highest (\$4.4 million). As a share of general fund spending, 64 districts budgeted 2.5% or more of their total general fund spending on such budgets.

Capitol notes

■ Rep. Dan Vrakas (R-Hartland) is running for Waukesha county executive to replace Dan Finley.

■ Rep. Marlin D. Schneider (D-Wisconsin Rapids) has introduced a bill to ban mail-in consumer rebates, while Senator Dave Zien (R-Eau Claire) and Rep. Jeff Wood (R-Chippewa Falls) are seeking repeal of the minimum markup on gasoline.

■ The Wisconsin Department of Revenue offers a free speakers bureau to business, community and educational organizations. Topics include the state income tax, home-stead credit, record-keeping requirements, manufacturing property assessment, and petitions for compromise of tax delinquencies. To arrange for a speaker for a meeting or class, go to www.dor.state.wi.us (click on "Training").

Benefits II:

Schools face growing post-retirement costs

When the Florence County School Board voted last month to dissolve the district, many reasons were given (see *Focus*, #15), e.g., declining enrollment and soaring land values. Another reason came as a surprise to many: Each year since the late 1980's, Florence has been funding benefits paid to staff after their retirement.

In 2004-05, Florence budgeted \$415,507, or 6.1%, of its \$6.9 million (m) general fund ("Fund 10") expenditures to continue buying health insurance for its retirees. As it turns out, Florence is fairly typical.

State trends

In 1995-96, 259 of Wisconsin school districts reported to the state some kind of expenditure for post-retirement benefits. In 2004-05, 353 districts budgeted for this item.

The total 2004-05 cost to districts for post-retirement benefits was budgeted at \$110.3m. Put another way, for each \$100 a district planned to spend from Fund 10, it had to pay \$1.37 to retirees.

In 2003-04, \$100.1m was actually spent. In 1995-96, the comparable amount was \$21.7m. Hence, school spending on post-retirement benefits increased an average of 21.1% per year during the 8 years.

Large districts

Districts small and large, and from every corner of the state, are providing some form of benefits to their retirees.

There are 36 districts with 4,000 or more students that report offering post-retirement benefits in 2004-05 (see table below). Milwaukee is not included because it reported no figures to the state. The combined enrollment of these districts is over 287,000, or one-third of all students statewide.

Dollars. In dollar terms, the district that budgeted the most to pay benefits to retirees was Appleton; it planned to spend \$4.4m last year. In other words, 3.4% of its general fund spending went to pay benefits to retirees. West Allis and Madison (both \$3.8m)

Post-Retirement Benefits in Lg. Dist's, 2004-05
Amt. Budgeted (\$000) and as Pct. of Gen. Fund (% GF)
Districts with Benefits and 4,000 or More Students

District	\$000	% GF	District	\$000	% GF
Appleton	4,414.8	3.43	Middleton	537.9	1.04
Beloit	1,087.4	1.68	Muskego	556.5	1.25
Chip. Falls	1,273.6	3.28	New Berlin	540.0	1.05
DC Everest	400.5	0.90	Oak Creek	432.4	0.99
Eau Claire	3,562.0	3.64	Ocono'woc	922.8	2.44
Elmbrook	1,610.0	2.14	Oshkosh	1,817.8	2.11
Green Bay	3,415.9	1.86	Racine	165.0	0.09
Hamilton	993.9	2.67	Sheboygan	24.3	0.02
How'd-S'co	1,173.0	2.89	Stevens Pt.	1,852.5	2.76
Hudson	472.5	1.19	Sun Prairie	744.5	1.48
Janesville	1,612.0	1.73	Superior	908.8	2.08
Kettle Mor.	1,400.0	3.50	Verona	222.7	0.52
La Crosse	1,709.0	2.29	Waukesha	2,968.1	2.48
Madison	3,816.9	1.43	Wausau	2,008.7	2.36
Manitowoc	305.3	0.69	Wauwatosa	1,499.1	2.44
Marshfield	1,074.5	2.97	West Allis	3,840.1	4.84
Men. Falls	1,253.3	2.91	West Bend	1,322.6	2.42
Mequon	699.7	1.78	Wis. Rapids	14.9	0.03

were close behind, followed by Eau Claire (\$3.6m) and Green Bay (\$3.4m).

Shares.

Another way to look at this is to examine spending as a share of total general fund spending. By this approach, West Allis

led the large districts, with 4.8% of spending for post-retirement benefits, with Eau Claire second (3.6%) and Kettle Moraine third (3.5%). Appleton (3.4%) and Chippewa Falls (3.3%) round out the list of the five large districts devoting the greatest budget share to these benefits.

Largest budget burden

Looking beyond the large school districts, one finds that there are districts that are devoting a bigger share of their general fund budget to post-retirement benefits than West Allis and Eau Claire.

The table below lists the 75 Wisconsin school districts that budgeted the largest share of their 2004-05 general fund spending for post-retirement benefits.

Looked at this way, it is not necessarily the large districts that predominate. In fact, leading the list are two K-8 districts: Glendale-River Hills (10.4% of general fund spending) and Yorkville J2 (7.4%).

It is worth noting that Florence, the district in the far north headed toward dissolution, had to pay post-retirement benefits of \$415,507. At 6.1% of its general fund budget, Florence did not top the list. Other than the two K-8 districts already mentioned, three addi-

tional districts are devoting a large share of their budgets to this project—Grafton (6.4%), Marinette (6.9%) and Mellen (6.1%).

Future needs

In 1996, just 0.4% of general fund spending went to post-retirement benefits. In 2005, it was budgeted at 1.4%. With Wisconsin's aging population in the process of doubling, this percentage is likely to rise. Florence will not be the only district with this problem.

The 75 Districts Budgeting the Largest Share of Their General Fund (GF) Spending for Post-Retirement Benefits, 2004-05
Amount Contributed (\$000), Amount as Pct. of GF and Rank Among All Districts (*K-8 and **union high school)

District	\$000	% GF	Rk	District	\$000	% GF	Rk	District	\$000	% GF	Rk
Appleton	4,414.8	3.43	26	Hamilton	993.9	2.67	53	Oconomowoc	922.8	2.44	67
Ashwaubenon	1,104.9	4.01	12	Hartford J1*	390.1	2.68	52	Oregon	848.4	2.52	63
Augusta	201.2	3.13	33	Hartford**	493.5	2.88	42	Osceola	375.8	2.53	62
Baldwin-Woodville	386.0	3.27	29	Highland	83.8	2.75	48	Paris J1*	52.4	2.37	72
Beecher	203.9	5.61	7	Howard-Suamico	1,173.0	2.89	41	Park Falls	173.3	2.34	74
Big Foot**	179.3	2.95	39	Kaukana	805.7	2.51	64	Peshtigo	375.1	3.74	19
Boyceville	213.1	2.61	58	Kettle Moraine	1,400.0	3.50	23	Platteville	485.6	3.57	22
Bristol #1*	178.3	3.61	21	Ladysmith	336.7	3.03	36	Port Washington	827.0	3.32	27
Brodhead	354.1	3.46	25	Lake Geneva J1*	460.4	2.97	37	Richfield J1*	160.5	3.99	13
Brown Deer	683.5	3.75	18	Lake Geneva**	530.3	3.87	15	Richmond*	112.0	2.83	44
Chippewa Falls	1,273.6	3.28	28	Lodi	374.3	2.58	59	River Valley	304.7	2.32	75
Cochrane-Ftn. City	322.8	4.84	9	Maple Dale*	272.2	3.82	16	South Milwaukee	872.1	2.85	43
Crandon	244.0	2.64	55	Marinette	1,467.1	6.89	3	Salem J2*	351.5	3.47	24
Drummond	276.3	5.25	8	Marshfield	1,074.5	2.97	38	Shorewood	501.8	2.44	68
Durand	270.0	2.43	70	Mellen	209.3	6.58	4	Silver Lake J1*	154.3	2.77	46
Eau Claire	3,562.0	3.64	20	Menomonee Falls	1,253.3	2.91	40	Stevens Point	1,852.5	2.76	47
Edgerton	419.8	2.55	60	Menomonie	1,146.0	3.76	17	Union Grove J1*	138.3	2.74	49
Fall Creek	216.3	2.61	57	Merrill	694.1	2.43	69	Waukesha	2,968.1	2.48	65
Florence	415.5	6.05	6	Monona Grove	764.2	2.81	45	Wausau	2,008.7	2.36	73
Franklin	1,019.6	2.65	54	Mosinee	560.9	3.09	35	Wauwatosa	1,499.1	2.44	66
Freedom	339.2	2.73	50	Neillsville	335.8	3.24	30	West Allis	3,840.1	4.84	10
Germantown	847.9	2.55	61	Nekoosa	401.7	3.13	34	West Bend	1,322.6	2.42	71
Gibraltar	219.0	2.70	51	New London	679.1	3.18	31	Whitefish Bay	859.1	3.16	32
Glendale*	1,198.7	10.43	1	New Richmond	1,038.7	4.82	11	Wilmot Grade*	45.5	2.63	56
Grafton	1,203.9	6.43	5	Niagara	190.2	3.90	14	Yorkville J2*	215.6	7.42	2

"Focus" is published by the Wisconsin Taxpayers Alliance, 401 N. Lawn Ave., Madison, Wisconsin: three times monthly during March through June; and semimonthly during other months. Subscriptions are \$49 for one year and \$99 for three years. WISTAX contributors of \$75 or more receive a free copy. Media reprinting is encouraged with credit to WISTAX requested.

EDGERTON WI 53534-9586
152 BUBLITZ RD
THE COUNTRY TODAY
CASEY LANGEN
19772 Focus #18-05

First Class Mail
U.S. Postage Paid
Madison, WI
Permit No. 271

Wisconsin Taxpayers Alliance
401 North Lawn Avenue • Madison, WI 53704-5033
608.241.9789 • www.wistax.org
Address Service Requested

